

[7 August, 2001]

RAJYA SABHA

Club Managing Committee is not required to take prior permission for such financial transactions.

- (i) *M/s. M. P. Flying Club, Indore:* A complaint of financial irregularities done by M.P. Flying Club, Indore in purchase of three aircraft and two engines has been made by Shri Sharad K. Sanghi.
- (ii) *M/s. Jamshedpur Co-operative Flying Club, Jamshedpur:* Another complaint of serious irregularities (financial and otherwise) in Jamshedpur Co-operative Flying Club, Jamshedpur has been made by Shri Vivek Singh.

The inquiry carried out in the matter by the Cooperative Department of the Government of Bihar revealed that the allegations made in the complaint were true and accordingly the District Cooperative Officer, Govt, of Bihar suspended the Managing Committee of the Club with effect from 19.4.2000. An enquiry in this matter was conducted by Shri A.K. Ray, Director of Airworthiness, Calcutta on 7.4.2000. The report has been sent to the Special Officer, Jamshedpur Co-operative Flying Club for further necessary action.

- (iii) *M/s. Yash Air Ltd., Indore:* Security clearance to Directors of M/s. Yash Air Ltd., Indore for extension of NOC to start flying training institute at Bhopal has been denied by Ministry of Home Affairs due to allegations of financial irregularities and falsifications of documents against their Chairman and Managing Director during their association with Urban Research and Flying Institute, Bombay.

B. Non-Scheduled Operators:

M/s. Mesco Airlines: M/s. Sundaram Finance Ltd. has complained that M/s. Mesco Airlines Ltd. has been defaulting repayment of rental and other monies due to them under the lease agreement. Therefore, M/s. Sundaram Finance Ltd. have filed various applications in the Hon'ble High Court of Chennai against M/s. Mesco Airlines. As the matter is *sub-judice*, no further action is at present, required on the part of the Government.

Setting up of Sectoral Display Centres

*234. SHRI K.M. SAIFULLAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are contemplating setting up of Sectoral Display Centres in major cities in different countries in order to boost exports;

(b) whether private sector organisations of exporters have been consulted in this regard; and

(c) the names of cities where these centres are proposed to be set up?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLIMARAN): (a) to (c) "Export Enhancement and Export Studies-Market Access Initiative" Scheme launched during the current year, *inter-alia*, provides for setting up of showrooms, warehousing facilities and display of selected products in the identified international departmental stores at specific centres abroad. These centres will be selected on the basis of marketing studies by the Export Promotion Councils (EPCs) and Trade Promotion Organisation (TPOs) on country-product focus approach. EPCs and TPOs have been requested to send suitable proposals on project basis for approval.

Impact of Economic slow down on the Current Budget

*235. SHRI CO. POULOSE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the economic slowdown has already begun to affect public finances and is likely to have an impact on the budget of the current fiscal year as well; and

(b) if so, the Government's reaction in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The gross fiscal deficit of the Central Government during the period April-June 2001, at Rs. 42198 crore was 36.3 per cent of the budgeted estimate of 2001-02 compared with Rs. 25073 crore, constituting 22.5 per cent of the budgeted amount in the corresponding period last year. The higher fiscal deficit during April-June 2001 mainly reflects contraction in net revenue receipts after devolution of Central taxes to the States and also front loading of certain expenditure including advances to States. The estimates of Quarterly Gross Domestic Product for the first quarter (April-June 2001) are yet to be available and it is too early to make an assessment on the outcome of the Union Budget, 2001-02 based on the Union Government Accounts for the period April-June, 2001. The trends in the Central Government finances are closely monitored, kept under constant review and appropriate measures are taken in the light of emerging trends as and when necessary.